

<b>FCC Form 481 - Carrier Annual Reporting</b> <b>Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	361346
<015> Study Area Name	ACE TEL ASSN-MN
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	Cynthia Sweet
<035> Contact Telephone Number: Number of the person identified in data line <030>	5078966211
<039> Contact Email Address: Email of the person identified in data line <030>	csweet@acecongroun.com

ANNUAL REPORTING FOR ALL CARRIERS			54.313 Completion Required	54.422 Completion Required
			(check box when complete)	
<100> Service Quality Improvement Reporting	(complete attached worksheet)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report				
<300> Unfulfilled Service Requests (voice)	0		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	(attach descriptive document)			
<320> Unfulfilled Service Requests (broadband)				
<330> Detail on Attempts (broadband)	(attach descriptive document)			
<400> Number of Complaints per 1,000 customers (voice)			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	0.0			
<420> Mobile				
<430> Number of Complaints per 1,000 customers (broadband)				
<440> Fixed				
<450> Mobile				
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> 361346mn510	(attach descriptive document)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> 361346mn610	(attach descriptive document)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)			
<710> Company Price Offerings (broadband)	(complete attached worksheet)			
<800> Operating Companies and Affiliates	(complete attached worksheet)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)			
<1010>	(attach descriptive document)			
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)			
<1110>	(complete attached worksheet)			
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)			<input checked="" type="checkbox"/>

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**  
 Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)		
<2005>	(complete attached worksheet)		

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	

**(100) Service Quality Improvement Reporting  
Data Collection Form**

FCC Form 481

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July 2013

<010>	Study Area Code	361346
<015>	Study Area Name	ACE TEL ASSN-MI
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Cynthia Sweet
<035>	Contact Telephone Number - Number of person identified in data line <030>	5078966211
<039>	Contact Email Address - Email Address of person identified in data line <030>	csweet@acecomgroup.com
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets  
 <114> Report how much universal service (USF) support was received  
 <115> How (USF) was used to improve service quality  
 <116> How (USF) was used to improve service coverage  
 <117> How (USF) was used to improve service capacity  
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.


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<039> Contact Email Address - Email Address of person identified in data line <030> csweet@acecomgroup.com

[illegible]

<010>	Study Area Code	361346
<015>	Study Area Name	ACE TEL ASSN-MET
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Cynthia Sweet
<035>	Contact Telephone Number - Number of person identified in data line <030>	5078966211
<039>	Contact Email Address - Email Address of person identified in data line <030>	csweet@acecozgroup.com

[illegible]



<010>	Study Area Code	361346
<015>	Study Area Name	ACE TEL ASSN-XBI
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Cynthia Sweet
<035>	Contact Telephone Number - Number of person identified in data line <030>	5078966211
<039>	Contact Email Address - Email Address of person identified in data line <030>	csweet@acecomgroup.com

10/04/2013

July 2013

<010>	Study Area Code	361346
<015>	Study Area Name	ACE TEL ASSN-MN
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Cynthia Sweet
<035>	Contact Telephone Number - Number of person identified in data line <030>	5078966211
<039>	Contact Email Address - Email Address of person identified in data line <030>	csweet@acemgroup.com

<810>	Reporting Carrier	Acc Telephone Association
<811>	Holding Company	Acc Telephone Association
<812>	Operating Company	Acc Telephone Association

[illegible]

**(900) Tribal Lands Reporting  
Data Collection Form**

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<039>	Contact Email Address - Email Address of person identified in data line <030>	csweet@acecomgroup.com

&lt;910&gt; Tribal Land(s) on which ETC Serves

&lt;920&gt; Tribal Government Engagement Obligation

Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions;
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

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<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

**(1200) Terms and Condition for Lifeline Customers**  
**Lifeline**  
**Data Collection Form**

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<039>	Contact Email Address - Email Address of person identified in data line <030>	csweet@acecomgroup.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of attached document (.pdf)

<1220> Link to Public Website

HTTP [www.acegroup.cc](http://www.acegroup.cc)

"Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

**(2000) Price Cap Carrier Additional Documentation****Data Collection Form***Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

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CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

**Incremental Connect America Phase I reporting**

- <2010> 2nd Year Certification {47 CFR § 54.313(b)(1)}
- <2011> 3rd Year Certification {47 CFR § 54.313(b)(2)}

☐  
☐
**Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}**

- <2012> 2013 Frozen Support Certification
- <2013> 2014 Frozen Support Certification
- <2014> 2015 Frozen Support Certification
- <2015> 2016 and future Frozen Support Certification

☐  
☐  
☐  
☐
**Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}**

- <2016> Certification Support Used to Build Broadband

☐
**Connect America Phase II Reporting {47 CFR § 54.313(e)}**

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached PDF, on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

☐  
☐  
☐  
☐

- <2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

\_\_\_\_\_

(3000) Rate Of Return Carrier Additional Documentation  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

## Progress Report on 5 Year Plan

(3010)	Milestone Certification (47 CFR § 54.313(f)(1)(i)) Please check this box to confirm that the attached PDF, on line 3012, contains the required information pursuant to § 54.313 (f)(1)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	Name of Attached Document Listing Required Information	<input type="checkbox"/>
(3012)	Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))	Name of Attached Document Listing Required Information	<input checked="" type="checkbox"/> (Yes/No)
(3013)	Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))		<input type="checkbox"/> (Yes/No)
(3014)	If yes, does your company file the RUS annual report Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:		<input type="checkbox"/>
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input type="checkbox"/>
(3016)	PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information	<input checked="" type="checkbox"/> (Yes/No)
(3018)	If the response is no on line 3014, is your company audited? If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:		
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications		<input checked="" type="checkbox"/>
(3020)	PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input checked="" type="checkbox"/>
(3021)	Management letter issued by the independent certified public accountant that performed the company's financial audit. If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:		<input checked="" type="checkbox"/>
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,		<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an independent certified public accountant		<input type="checkbox"/>
(3024)	Underlying Information subjected to an officer certification.		<input type="checkbox"/>
(3025)	PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information	361346mm3026

<b>Certification - Reporting Carrier Data Collection Form</b>	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	ACE TEL ASSN-MN
Signature of Authorized Officer:	CERTIFIED ONLINE Date 10/04/2013
Printed name of Authorized Officer:	Todd Roesler
Title or position of Authorized Officer:	CEO
Telephone number of Authorized Officer:	5078966292
Study Area Code of Reporting Carrier:	361346 Filing Due Date for this form: 10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	



**Certification - Agent / Carrier  
Data Collection Form**

 FCC Form 481  
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 July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	csweet@acecomgroup.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## **Attachments**

**(800) Operating Companies  
Data Collection Form**

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<035>	Contact Email Address - Email Address of person identified in data line <030>	csweet@acecomgroup.com

<b>&lt;810&gt; Reporting Carrier</b>	Ace Telephone Association
<b>&lt;811&gt; Holding Company</b>	Ace Telephone Association
<b>&lt;812&gt; Operating Company</b>	Ace Telephone Association

[illegible]

**LINE 510**

**ACE TELEPHONE ASSOCIATION**

**STUDY AREA CODE**

**361346**

**Study Area Name: Ace Telephone Association**

**SAC: 351346, 361346**

**Program Year: 2014**

**Certification that Ace Telephone Association is complying with applicable service quality standards and consumer protection rules**

As a local exchange carrier, Ace Telephone Association (Carrier) is obligated to comply with the numerous consumer protections and has established operating procedures designed to facilitate compliance with such consumer protections rules and service quality standards. As part of the operating procedures, appropriate training is conducted for employees.

Carrier is complying with all applicable and effective public service commission and FCC consumer protection rules and service quality standards. Carrier has a Customer Proprietary Network Information (CPNI) Manual which reflects the FCC's current CPNI rules. A copy of the Manual, Annual CPNI Compliance Certificate and annual notices to customers on matters related to customer privacy has been submitted with this filing.

Carrier has also implemented an Identity Theft Prevention Program in accordance with the federal Red Flags Rule. A copy of manual has been submitted with this filing.



**NATIONAL  
DO NOT CALL  
REGISTRY**

## **Restrict Unwanted Telephone Solicitations**

In 2003, the Do-Not-Call Act was signed into law. This legislation allowed for the establishment and enforcement of a national Do-Not-Call Registry giving consumers a choice regarding telemarketing calls. **If your number is listed on the registry, all commercial telemarketers, except for businesses with whom you have an existing relationship or certain non-profit and political organizations, are not allowed to call you.**

Consumers may register their residential telephone number, including wireless numbers, on the national Do-Not-Call Registry by telephone or by Internet at no cost. **To register by telephone, consumers may call 1-888-382-1222.** For TTY, call 1-866-290-4236. You must call from the phone number you wish to register. **You can register on-line for the national Do-Not-Call Registry via the internet at [www.donotcall.gov](http://www.donotcall.gov).**

Inclusion of your telephone number on the national Do-Not-Call Registry will be effective 31 days after registration. Your number will remain on the registry permanently. You are allowed to remove your number from the registry at any time.

Annual Notice provided  
to Consumers / Customers





## Services



### Ace Service

**ACE COMMUNICATIONS GROUP** is a cooperative that pays capital credits to its members. Capital credits are amounts in excess of operating costs and expenses and are allocated to members based on their business (patronage) with Ace. Capital credits are paid to members at the discretion of the Board of Directors. In order to be a member of the Ace cooperative, you must have telephone service. For more information on capital credits and membership, please contact Ace's Membership Department at 1811 or 888-404-4940 (option 4).

**ACE LINK TELECOMMUNICATIONS, INC.** is a wholly-owned subsidiary of Ace Communications Group and serves the City of Caledonia, Minnesota. Ace Link is a corporation, not a cooperative.

### New Telephone Service

To apply for telephone service, call Ace at 1811 (toll free from any Ace serving area) or 888-404-4940 or visit us at 207 E. Cedar, Houston, MN.

Residential customers must provide:

- name
- old and new address
- social security number
- date of birth

Business customers must provide Articles of Incorporation, Articles of Limited Liability Company or a Partnership Agreement, and complete an account authorization form.

Federal Trade Commission rules require verification of identity or corporate authorization before new service is installed.

Customers must be age 18 or older to open an account.

### Disconnecting Service

If you no longer need phone service from Ace, call with the following information:

- name
- telephone number
- new address for final billing and capital credits records

### Teen Service

Now you can know who a call is for before you answer the phone. With Teen Service, you can have two telephone numbers assigned to the same line. Each number has a distinctive ring, so you can assign a number solely to the children. Or, you can assign a separate number to your home business and one to the family.

(Although you have two telephone numbers assigned to your line, you have just one line and only one conversation can be held at a time.)

Monthly Charge.....\$3.95 Installation Charge.....\$18.00

### Revertive Calling

Revertive calling enables you to call your own telephone number. This is useful when you wish to call your extension phone in another building or in another part of your house. (This may not be available on all telephone lines.)

To place a revertive call:

1. Dial your 7-digit number.
2. Listen for recording and hang up.
3. When phone rings, lift receiver and talk.

### Telephone Service Connection Charges

(Residential or Business)

Service Order Charge .....	\$12.00
Central Office Charge .....	\$ 6.00
Trip Charge .....	\$60.00

### Leased Telephones

Touch-tone telephones:

Standard wall or desk phone ..... \$2.00/month

### Ace Assurance

Suprises can be fun. But, when it's your phone, television or internet service, you'd rather not be surprised with service charge to figure out why you can't get connected. With Ace Assurance, you make one call and we're on our way to finding the problem. It's always Ace's responsibility to fix problems that exist in our equipment beyond where our lines physically connect to the service wires inside your home. But if the problem is within your home, you are charged \$60 for a service call.

With our Ace Assurance plan, we'll diagnose the problem and offer a solution, all for a low monthly fee that's added to your bill. Call us at 888.404.4940 and learn more.

Monthly Charge.....\$1.95 per service (phone, DSL, TV)

### Non-Published Numbers

You may wish to keep your telephone number private with a Non-Published number.

Non-Published telephone numbers are not listed in our directory or given out by operators at directory assistance.

Monthly Charge.....\$1.00 Installation Charge.....\$12.00

### Vacation Rate Service

If you are leaving town for an extended period of time you may wish to place your services on Vacation Rate. This will assure you of keeping the same telephone number and email address and will reduce the paperwork required when you return home. Vacation Rate charges vary by service. Services can be on Vacation Rate for longer than six months and no less than 30 days. Call Customer Service at 1811 for more information.

### 900# Block

Access to 900 Blocking Service is available to all subscribers with no Service Order charge for the first block. Subsequent requests to change blocking status will incur a Service Order charge.

### Toll Denial

Toll denial, available to all customers, prevents any toll calls made from your phone. However, if you want to be able to place some long distance calls, you can have Toll Denial with PIN (personal identification number) override installed on your line. Each time a call is placed from your phone, you must enter your PIN to gain access to long distance toll network.

Toll Denial only .....no charge Install Charge.....\$18  
Toll Denial w/PIN ..\$2.00/mo. Install Charge.....\$18

Note: All prices and services subject to change





## Calling Features



**NOTE:** Caller ID, Blocking, Unblocking, and Call Trace may not work when calling from some pay phones, PBX, Key, Centrex systems, or when placing 800 number calls.

### Caller ID/Call Waiting ID

With Caller ID, the name and number of the party calling you will be shown on your display telephone and on your TV if you subscribe to Ace Digital TV service. (Some numbers will not be displayed if the calling party blocks their number or if their telephone company does not have the necessary equipment to handle Caller ID.)

With Call Waiting ID, you will see who is calling you when you are on the phone and hear the "beep-beep" to indicate a second call is waiting. To utilize Call Waiting ID, you need the Caller ID and Call Waiting features on your line, and a compatible display phone or add-on unit. You can purchase display phones from Ace, which also keep a log of the name, number, date and time of your incoming calls.

Monthly Charge ..... \$4.50 for name and number  
\$0.50 for Call Waiting ID

### Caller ID Blocking

Prevents your telephone number from being displayed on called party's Caller ID unit or telephone.

Line Blocking will prevent your number from being displayed on all calls made from your line except calls to toll-free numbers and 911. If you are calling someone who has Caller ID, the word "Private" or "Anonymous" will be displayed instead of your telephone number. This service is available to all residential customers and some businesses, such as law enforcement agencies.

To cancel the blocking on a per call basis:

Dial \*82 before dialing an outgoing number. The line is immediately reblocked after your call.

Monthly Charge.....\$1.00

Installation Charge.....no charge if added during first 90 days of service

Per Call Blocking will block your number for one call.

Dial \*67 before you dial your outgoing phone number.

Monthly Charge.....no charge/available to all customers

### Call Trace

Call Trace allows you to activate an immediate trace of the last incoming call. This is useful after receiving a harassing or prank call if you wish to involve law enforcement.

To activate Call Trace:

1. Hang up after a harassing call.
2. Pick up the receiver and listen for dial tone.
3. Press \*57.
4. Follow recorded message to activate trace.
5. Listen for second message stating successful or unsuccessful trace.
6. Notify law enforcement agency if you wish to take action. They will contact Ace Communications Group.

You do not need to sign up for Call Trace—it is available on your line at all times.

Charge.....no charge/available to all customers

*Directory*

Note: All prices and services subject to change.

### Last Call Return

Last Call Return gives you the telephone number of your last caller, the time and date of the call, and the option to recall that number.

To use Last Call Return:

1. Listen for dial tone.
2. Press \*69.
3. Dial 1 to activate Call Return.

If their line is busy, you may hang up and your phone will continue trying for up to 30 minutes. A special callback ring will alert you if the line becomes free.

To cancel: Press \*89.

Monthly Charge ..... \$2.00

### Priority Call

With Priority Call, you set up a list of telephone numbers that you would like to ring in a short-long-short ringing pattern. This lets you know that someone special is calling. If you have Call Waiting, you will have a distinctive Call Waiting tone also.

To set up a list:

1. Press \*61.
2. Press #, dial the number, press #.

To access or turn off this service:

1. Press \*61. Message will say if your list is on or off.
2. To turn your list on or off, dial 3.

Monthly Charge ..... \$2.00

### Repeat Dial

Repeat Dial automatically redials the last busy number you called.

To use:

1. After a busy signal, hang up. Then lift handset and listen for dial tone.
2. Press \*66.

This feature is active for 30 minutes. When the line is free, you will be alerted with a distinctive ring, and the call will automatically be made.

To cancel: Press \*86.

Monthly Charge ..... \$2.00

### Anonymous Call Rejection

When you have Caller ID, this service will route any incoming call that has its telephone number blocked to a recording that states you are not accepting blocked calls.

To use:

1. Listen for dial tone. Press \*77.
2. Listen for confirmation message, hang up.

To cancel: Press \*87 and listen for message.

Monthly Charge.....no charge/available to all customers

### Selective Call Acceptance

With this service, you create a list of telephone numbers based on which calls you want. Callers not on the list will be routed to an announcement informing them their call is not being accepted at this time. Your selected calls will have a specialized ring.

To use:

1. Press \*64.
2. Press #, dial the number, press #.

To access or turn off this service:

1. Press \*64. Message will say if your list is on or off.
2. To turn your list on or off, dial 3.

Monthly Charge ..... \$2.00





**Annual 47 CFR 64.2009(e) CPNI Certification  
EB Docket No. 06-36**

January 29, 2013

Marlene H. Dortch, Secretary  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street S.W., Suite TW-A325  
Washington, D.C. 20554

**RE: Annual CPNI Compliance Certificate  
Ace Telephone Association  
Form 499 Filer ID #802095**

Dear Secretary Dortch,

In accordance with 47 CFR 64.2009(e), please find attached the Company's Annual Compliance Certificate for the previous calendar year, 2012. The Compliance Certificate includes the Company's:

- Statement explaining how its operating procedures ensure compliance with 47 CFR, Part 64, Subpart U;
- An explanation of any actions taken against data brokers; and
- A summary of all customer complaints received in the past year concerning the unauthorized release of customer proprietary network information (CPNI).

If you have any questions regarding this filing, please direct them to the undersigned.

Sincerely,

A handwritten signature in blue ink, appearing to read "Todd Roesler", is written over a horizontal line.

Todd Roesler  
Chief Executive Officer  
Ace Telephone Association

Enclosure

cc: via e-mail: Best Copy and Printing, Inc., **FCC@BCPIWEB.COM**

# **CERTIFICATE OF COMPLIANCE WITH PROTECTION OF CUSTOMER PROPRIETARY NETWORK INFORMATION RULES**

**Including:**

**Statement Explaining How Operating Procedures Ensure Regulatory Compliance**

**Explanation of Any Actions Against Data Brokers, and**

**Summary of all Customer Complaints Received**

Todd Roesler signs this Certificate of Compliance in accordance with § 222 of the Telecommunications Act of 1996, as amended, 47 USC 222, and 47 CFR 64.2009, on behalf of Ace Telephone Association (Company), related to the previous calendar year, 2012.

This Certificate of Compliance addresses the requirement of 47 CFR 64.2009 that the Company provide:

- A “statement accompanying the certificate” to explain how its operating procedures ensure compliance with 47 CFR, Part 64, Subpart U;
- An explanation of any actions taken against data brokers; and
- A summary of all customer complaints received in the past year concerning the unauthorized release of customer proprietary network information (CPNI).

## **On Behalf Of The Company, I Certify As Follows:**

1. I am the Chief Executive Officer of the Company, and therefore an officer of the Company. My business address is 207 E Cedar Street, Houston MN 55943.

2. I have personal knowledge of the facts stated in this Certificate of Compliance. I am responsible for overseeing compliance with the Federal Communications Commission’s (FCC) rules relating to CPNI.

## **Statement Explaining How Operating Procedures Ensure Regulatory Compliance**

3. I have personal knowledge that the Company has established operating procedures that are adequate to ensure compliance with the FCC’s regulations governing CPNI.

4. The Company ensures that it is in compliance with the FCC’s CPNI regulations. The Company trains its personnel regarding when they are authorized to use CPNI, when they are not authorized to use CPNI, and how to safeguard CPNI. The Company maintains a CPNI Compliance Manual in its offices for purposes of training of new and current employees, and as a reference guide for all CPNI issues. Our CPNI Compliance Manual is updated to account for changes in law relating to CPNI. The CPNI

Manual contains key all essential information and forms to ensure the Company's compliance with CPNI regulations.

5. The Company has established a system by which the status of a Customer's approval for use of CPNI, as defined in 47 USC 222(h)(1), can be clearly established prior to the use of CPNI. The Company relies on the involvement of its high-level management to ensure that no use of CPNI is made until a full review of applicable law has occurred.

6. Company personnel make no decisions regarding CPNI without first consulting with management.

7. The Company has an express disciplinary process in place for personnel who make unauthorized use of CPNI.

8. The Company's policy is to maintain records of its own sales and marketing campaigns that use CPNI. The Company likewise maintains records of its affiliates' sales and marketing campaigns that use CPNI. The Company also maintains records of all instances where CPNI was disclosed or provided to third parties, or where third parties were allowed access to CPNI. These records include a description of each campaign, the specific CPNI that was used in the campaign, and the products and services that were offered as a part of the campaign. The Company maintains these records in its offices for a minimum of one year.

9. In deciding whether the contemplated use of the CPNI is proper, management consults one or more of the following: the Company's own compliance manual, the applicable FCC regulations, and, if necessary, legal counsel. The Company's sales personnel must obtain supervisory approval regarding any proposed use of CPNI.

10. Further, management oversees the use of opt-in, opt-out, or any other approval requirements, or notice requirements (such as notification to the Customer of the right to restrict use of, disclosure of, and access to CPNI), contained in the FCC's regulations. Management also reviews all notices required by the FCC regulations for compliance therewith. Before soliciting for approval of the use of a Customer's CPNI, the Company will notify the Customer of his or her right to restrict use of, disclosure of, and access to, his or her CPNI.

11. The Company maintains records of Customer approval and disapproval for use of CPNI in a readily-available location that is consulted on an as-needed basis.

12. The Company trains its personnel for compliance with all FCC requirements for the safeguarding of CPNI, including use of passwords and authentication methods for telephone access, online access, and in-store access to CPNI, and the prevention of access to CPNI (and Call Detail Information in particular) by data brokers or "pre-texters." In-store visits require valid photo identification.

13. The Company, on an ongoing basis, reviews changes in law affecting CPNI, and updates and trains company personnel accordingly.

**Explanation of Actions Against Data Brokers**

14. The Company has not encountered any circumstances requiring it to take any action against a data broker during the year to which this Certificate pertains.

**Summary of all Customer Complaints Received**

15. The following is a summary of all customer complaints received in the past year concerning the unauthorized release of CPNI: None.

16. The Company has no knowledge of any attempt by pre-texters to access its Customer's CPNI.

The company represents and warrants that this certification is consistent with 47 CFR 1.17, which requires truthful and accurate statements to the Commission. The company also acknowledges that false statements and misrepresentations to the Commission are punishable under Title 18 of the U.S. Code and may subject it to enforcement action.

Date: \_\_\_\_\_

1/29/13



\_\_\_\_\_  
Todd Roesler  
Chief Executive Officer  
Ace Telephone Association

**Customer Proprietary Network Information (CPNI)**

**Compliance Manual and  
Operating Procedures**

**For**

**Ace Telephone Association  
Ace Telephone Company of Michigan, Inc.  
Ace Link Telecommunications, Inc.  
Allendale Telephone Company  
Drenthe Telephone and Communications**

**Revised**

**February 4, 2011**

**This Manual reflects federal law on the subject of Customer Proprietary Network Information (CPNI), and is current through the FCC's Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 96-115 (rel'd April 2, 2007).**

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## SECTION 1

### DEFINITIONS

**Account Information:** Information that is specifically connected to the Customer's service relationship with a Carrier, including such things as an account number or any component thereof, the telephone number associated with the account, or the bill amount.

**Address of Record:** An address, whether postal or electronic, that a Carrier has associated with the Customer's account for at least 30 days.

**Affiliate:** A person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. The term "own" means to own an equity interest (or the equivalent thereof) of more than 10 percent.

**Aggregate Customer Information:** Collective data that relates to a group or category of services or Customers, from which individual Customer identities and characteristics have been removed.

**Breach:** When a person, without authorization or exceeding authorization, has intentionally gained access to, used, or disclosed CPNI.

**Carrier:** See Telecommunications Carrier.

**Call Detail Information:** Any information that pertains to the transmission of specific telephone calls, including, for outbound calls, the number called, and the time, location, or duration of any call and, for inbound calls, the number from which the call was placed, and the time, location, or duration of any call. Remaining minutes of use is not Call Detail Information (but is CPNI).

**CMRS:** Commercial Mobile Radio Service.

**Communications-Related Services:** Telecommunications Services, Information Services typically provided by Telecommunications Carriers, and services related to the provision or maintenance of Customer Premises Equipment.

**Company:** Ace Telephone Association; Ace Telephone Company of Michigan, Inc.; Ace Link Telecommunications, Inc.; Allendale Telephone Company; and/or Drenthe Telephone and Communications.



**Customer:** A person or entity to which a Telecommunications Carrier is currently providing service.

## SECTION 1

### DEFINITIONS (CONT'D)

**Customer Premises Equipment:** Equipment deployed on the premises of a person (other than a Carrier) to originate, route, or terminate telecommunications.

**Emergency Notification Services:** Services that notify the public of an emergency.

**Emergency Services:** 9-1-1 emergency services and emergency notification services.

**Emergency Support Services:** Information or data base management services used in support of emergency services.

**FCC:** Federal Communications Commission.

**Information Service:** The offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing, but does not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a Telecommunications Service.

**Information Services Typically Provided by Telecommunications Carriers:** Information services that Telecommunications Carriers typically provide, such as Internet access or voice mail services. The term does not include retail consumer services provided using Internet websites (such as travel reservation services or mortgage lending services), whether or not such services might otherwise be considered to be Information Services.

**Interconnected VoIP Service:** A service that: (1) enables real-time, two-way voice communications; (2) requires a broadband connection from the user's location; (3) requires Internet protocol-compatible Customer Premises Equipment; and (4) permits users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network.

**Local Exchange Carrier:** Any person engaged in the provision of telephone exchange service or exchange access. Such term does not include a person insofar as such person is engaged in the provision of a commercial mobile service (except to the extent that the FCC determines that such service should be included in the definition of the term).

## SECTION 1

### DEFINITIONS (CONT'D)

**Opt-In Approval:** A method for obtaining Customer consent to use, disclose, or permit access to the Customer's CPNI. This approval method requires that the Carrier obtain the Customer's affirmative, express consent allowing the requested CPNI usage, disclosure, or access after the Customer is provided appropriate notification of the Carrier's request.

**Opt-Out Approval:** A method for obtaining Customer consent to use, disclose, or permit access to the Customer's CPNI. Under this approval method, a Customer is deemed to have consented to the use, disclosure, or access to the Customer's CPNI if the Customer has failed to object thereto within the prescribed waiting period, after the Customer is provided appropriate notification of the Carrier's request for consent.

**Public Safety Answering Point:** The term "public safety answering point" means a facility that has been designated to receive emergency calls and route them to emergency service personnel.

**Readily Available Biographical Information:** Information drawn from the Customer's life history and includes such things as the Customer's social security number, or the last four digits of that number; mother's maiden name; home address; or date of birth.

**Subscriber List Information:** Any information (1) identifying the listed names of a Carrier's subscribers and the subscribers' telephone numbers, addresses, or primary advertising classifications (as such classifications are assigned at the time of the establishment of such service), or any combination of such listed names, numbers, addresses, or classifications; and (2) that the Carrier or an Affiliate has published, caused to be published, or accepted for publication in any directory format.

**Telecommunications Carrier:** Any provider of Telecommunications Services, except that such term does not include aggregators of Telecommunications Services, but does include an entity that provides Interconnected VoIP Service.

**Telecommunications Service:** The offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

**Telephone Number of Record:** The telephone number associated with the underlying service, but does not include the telephone number supplied as a Customer's "contact information."

## **SECTION 1**

### **DEFINITIONS (CONT'D)**

**Valid Photo ID:** A government-issued means of personal identification with a photograph such as a driver's license, passport, or comparable identification that is not expired.

## **SECTION 2**

### **STATEMENT OF CORPORATE POLICY**

The policy of Ace Telephone Association; Ace Telephone Company of Michigan, Inc.; Ace Link Telecommunications, Inc.; Allendale Telephone Company; and Drenthe Telephone and Communications (the Company) is to comply with the letter and spirit of all laws of the United States, including those pertaining to CPNI contained in § 222 of the Telecommunications Act of 1996, as amended, 47 USC 222, and the FCC's regulations, 47 CFR, Part 64, Subpart U. The Company's policy is to protect the confidentiality of CPNI, and to rely on the involvement of high-level management to ensure that no use of CPNI is made until a full review of applicable law has occurred.

The FCC's regulations, 47 CFR 64.2009, require the Company to implement a system to clearly establish the status of a Customer's CPNI approval prior to the use of CPNI, and to train its personnel as to when they are, and are not, authorized to use CPNI, and to have an express disciplinary process in place. This Manual constitutes the Company's policies and procedures related to CPNI.

All employees are required to follow the policies and procedures specified in this Manual.

- ◆ Any questions regarding compliance with applicable law and this Manual should be referred to Todd Roesler, 507-896-6292, or Heather Benson, 507-896-6276.
- ◆ Any violation of, or departure from, the policies and procedures in this Manual shall be reported immediately to Todd Roesler, 507-896-6292, or Heather Benson, 507-896-6276.

## **SECTION 3**

### **WHAT IS CPNI?**

#### **Customer Proprietary Network Information (CPNI) is—**

Information that relates to the quantity, technical configuration, type, destination, location, and amount of use of a Telecommunications Service subscribed to by any Customer of a Telecommunications Carrier, and that is made available to the Carrier by the Customer solely by virtue of the Carrier-Customer relationship; and Information contained in the bills pertaining to telephone exchange service or telephone toll service received by a Customer of a Carrier.

#### Examples:

- Information regarding to whom, where, and when a Customer places a call;
- Frequency, timing, and duration of calls;
- The types of service offerings to which the Customer subscribes;
- The extent to which a Customer uses a service;
- The Customer's pre-subscribed toll provider; and
- Call Detail Information on Inbound and Outbound Calls.

#### **CPNI is Not—**

- Subscriber List Information.
- Customer name, address and phone number.
- Aggregate Customer Information.

## SECTION 4

### USE OF CPNI IN GENERAL

- A. Duty. The Company has a duty to protect the confidentiality of its Customers' CPNI. The Company must disclose CPNI upon affirmative written request by the Customer, to any person designated by the Customer. See Appendix 4 for Sample Form.
- B. Use of CPNI Obtained from Company's Customers: Except as otherwise permitted as described in this Manual, when the Company receives or obtains CPNI by virtue of its provision of a Telecommunications Service, it can only use, disclose, or permit access to individually identifiable CPNI in its provision of:
  - 1. The Telecommunications Service from which the information is derived; or
  - 2. Services necessary to, or used in, the provision of the Telecommunications Service, including the publishing of directories.
- C. Use of CPNI Obtained from Other Carriers: When the Company receives or obtains CPNI from another Carrier for purposes of providing any Telecommunications Service, it shall use such CPNI only for such purpose, and not for its own marketing efforts.
- D. Use of Aggregate Customer Information.
  - 1. Aggregate Customer Information is collective data that relates to a group or category of services or Customers, from which individual Customer identities and characteristics have been removed.
  - 2. The Company may use, disclose, or permit access to Aggregate Customer Information, but only if it provides such information to other Carriers or persons on reasonable and nondiscriminatory terms and conditions upon reasonable request.
- E. Tracking Calls to Competitors Prohibited: The Company cannot use, disclose or permit access to CPNI to identify or track Customers that call competing service providers.

## **SECTION 5**

### **USE OF CPNI: CUSTOMER APPROVAL NOT REQUIRED**

The Company may use, disclose, or permit access to CPNI, without Customer approval:

- A. To provide inside wiring installation, maintenance, and repair services.
- B. For the provision of Customer Premises Equipment and call answering, voice mail or messaging, voice storage and retrieval services, fax store and forward, and protocol conversion.
- C. To protect the rights or property of the Company, or to protect users of services and other Carriers from fraudulent, abusive, or unlawful use of, or subscription to, such services.
- D. Initiate, render, bill and collect for Telecommunications Services;
- E. CMRS providers may use, disclose, or permit access to CPNI to:
  - 1. conduct research on the health effects of CMRS;
  - 2. to provide call location information concerning the user of CMRS—
    - a. to a Public Safety Answering Point, emergency medical service provider or emergency dispatch provider, public safety, fire service, or law enforcement official, or hospital emergency or trauma care facility, in order to respond to the user's call for Emergency Services;
    - b. to inform the user's legal guardian or members of the user's immediate family of the user's location in an emergency situation that involves the risk of death or serious physical harm; or
    - c. to providers of information or database management services solely for purposes of assisting in the delivery of Emergency Services in response to an emergency.
- F. Certain marketing activities as discussed on Section 6.



## SECTION 6

### USE OF CPNI: MARKETING WITHOUT CUSTOMER APPROVAL

- A. The Company may use, disclose, or permit access to CPNI for the purpose of providing or marketing service offerings among the categories of service (i.e., local, interexchange, and CMRS) to which the Customer already subscribes from the Company, without Customer approval.
  - Example: Customer subscribes to the primary basic local exchange service of ABC Telephone Company (ABC). ABC may use CPNI to market a different local exchange service calling plan to Customer.
- B. If the Company provides different categories of service, and a Customer subscribes to more than one category of service (the categories being local, interexchange, and CMRS) offered by the Company, the Company may share CPNI among its Affiliated entities that provide a service offering to the Customer, without Customer approval.
  - Example: Customer subscribes to the local telephone service of ABC Telephone Company (ABC), and also subscribes to the toll service of ABC. ABC may share CPNI with its Affiliate, XYZ Corp, without obtaining Customer's prior approval, if XYZ Corp provides a service offering to the customer.
- C. The Company may, without Customer approval, use CPNI to market services formerly known as adjunct-to-basic services, such as, but not limited to, speed dialing, computer-provided directory assistance, call monitoring, call tracing, call blocking, call return, repeat dialing, call tracking, call waiting, caller ID, call forwarding, and Centrex features.

## SECTION 7

### USE OF CPNI: ONLY WITH CUSTOMER APPROVAL

- A. The Company may not use, disclose, or permit access to CPNI to market service offerings to a Customer that are within a category of service to which the Customer does not already subscribe from the Company, unless:
  - 1. No Customer approval is necessary (as described in Section 6); or
  - 2. The Company has Customer approval to do so.
- B. If the Company provides different categories of service, but a Customer does not subscribe to more than one offering by the Company, the Company is not permitted to share CPNI with its Affiliates, except with the Customer's approval.
  - Example: Customer subscribes to the local telephone service of ABC Telephone Company (ABC), but no other service. ABC may not share CPNI with its Affiliate, XYZ Long Distance, without obtaining Customer's prior approval.
- C. The Company may obtain approval through written, oral or electronic methods.
  - 1. If the Company relies on oral approval, it bears the burden of demonstrating that such approval has been given in compliance with the FCC's regulations.
  - 2. A Customer's approval or disapproval to use, disclose, or permit access to CPNI must remain in effect until the Customer revokes or limits such approval or disapproval.
  - 3. The Company must maintain records of approval, whether oral, written or electronic, for at least one year.

## SECTION 7

### USE OF CPNI: ONLY WITH CUSTOMER APPROVAL (CONT'D)

- D. Except as described in Section 5.E., CMRS providers must obtain the Customer's express prior authorization before disclosing or providing access to:
1. Call location information concerning the user of a commercial mobile service, or
  2. Automatic crash notification information of any person other than for use in the operation of an automatic crash notification system.
- E. Use of Opt-Out and Opt-In Approval Processes: The Company may utilize the Opt-Out or Opt-In Method to obtain approval to use its Customer's individually identifiable CPNI for the purpose of marketing communications-related services to that Customer.
1. Opt-Out Method.
    - a. Not Permissible:
      - (1) To obtain approval to disclose the Customer's CPNI to joint venture partners or independent contractors.
      - (2) For the purpose of marketing non-Communications-Related Services to a Customer.
        - Example: Opt-Out Method cannot be used to obtain Customer approval to market video services.
    - b. Permissible: In cases requiring prior Customer approval for the purpose of marketing Communications-Related Services to a Customer (but not for disclosing CPNI to joint venture partners or independent contractors).
  2. Opt-In Method: Permissible in all cases requiring prior Customer approval.

## SECTION 8

### NOTICES REQUIRED TO OBTAIN APPROVAL TO USE CPNI

#### A. Mandatory Notices Regarding Solicitation.

1. Prior to soliciting any Customer approval to use, disclose, or permit access to Customers' CPNI, whether through the Opt-In Method or the Opt-Out Method, the Company must notify the Customer of the Customer's right to restrict use of, disclosure of, and access to, the Customer's CPNI.
2. Content of Notice: Customer notification must provide sufficient information to enable the Customer to make an informed decision whether to permit a Carrier to use, disclose, or permit access to, the Customer's CPNI. The notification must:
  - a. State that the Customer has a right, and the Company has a duty, under federal law, to protect the confidentiality of CPNI.
  - b. Specify the types of information that constitute CPNI and the specific entities that will receive the CPNI, describe the purposes for which CPNI will be used, and inform the Customer of the right to disapprove those uses, and deny or withdraw access to CPNI at any time.
  - c. Advise the Customer of the precise steps the Customer must take in order to grant or deny access to CPNI, and must clearly state that a denial of approval will not affect the provision of any services to which the Customer subscribes. However, the Company may provide a brief statement, in clear and neutral language, describing consequences directly resulting from the lack of access to CPNI.
  - d. Be comprehensible and not misleading.
  - e. State that any approval or denial of approval for the use of CPNI outside of the service to which the Customer already subscribes from that Carrier is valid until the Customer affirmatively revokes or limits such approval or denial.

## **SECTION 8**

### **NOTICES REQUIRED TO OBTAIN APPROVAL TO USE CPNI (CONT'D)**

#### **A. Mandatory Notices Regarding Solicitation (Cont'd).**

3. If written notification is provided, the notice must be clearly legible, use sufficiently large type, and be placed in an area so as to be readily apparent to a Customer.
4. If any portion of a notification is translated into another language, then all portions of the notification must be translated into that language.
5. The Company may state in the notification that the Customer's approval to use CPNI may enhance its ability to offer products and services tailored to the Customer's needs. The Company also may state in the notification that it may be compelled to disclose CPNI to any person upon affirmative written request by the Customer.
6. The Company may not include in the notification any statement attempting to encourage a Customer to freeze third-party access to CPNI.
7. The Company's solicitation for approval must be proximate to the notification of a Customer's CPNI rights.

## **SECTION 8**

### **NOTICES REQUIRED TO OBTAIN APPROVAL TO USE CPNI (CONT'D)**

#### **B. Opt-Out Notice Requirements.**

The Company must provide notification to obtain Opt-Out Approval through electronic or written methods, and not by oral communication (except for one-time use of CPNI, as discussed Section 8.D. below). The contents of any such notification must comply with the requirements of Section 8.A., above, and:

1. The Company must wait a 30-day minimum period of time after giving Customers notice and an opportunity to opt-out before assuming Customer approval to use, disclose, or permit access to CPNI. The Company may, in its discretion, provide for a longer period. The Company must notify Customers as to the applicable waiting period for a response before approval is assumed.
  - a. In the case of an electronic form of notification, the waiting period begins to run from the date on which the notification was sent.
  - b. In the case of notification by mail, the waiting period begins to run on the third day following the date that the notification was mailed.
2. If the Company uses the opt-out mechanism it must provide notices to its Customers every two years.

## **SECTION 8**

### **NOTICES REQUIRED TO OBTAIN APPROVAL TO USE CPNI (CONT'D)**

#### **B. Opt-Out Notice Requirements (Cont'd).**

3. Use of E-mail: If the Company uses e-mail to provide opt-out notices, it must comply with the following additional requirements:
  - a. The Company must have express, verifiable, prior approval from consumers to send notices via e-mail regarding their service in general, or CPNI in particular;
  - b. Customers must be able to reply directly to e-mails containing CPNI notices in order to opt-out;
  - c. Opt-out e-mail notices that are returned to the Company as undeliverable must be sent to the Customer in another form before the Company may consider the Customer to have received notice; and
  - d. The subject line of the e-mail must clearly and accurately identify the subject matter of the e-mail.
  - e. The Company must make available to every Customer a method to opt-out that is of no additional cost to the Customer and that is available 24 hours a day, seven days a week. The Company may satisfy this requirement through a combination of methods, so long as all Customers have the ability to opt-out at no cost and are able to effectuate that choice whenever they choose.

#### **C. Opt-In Notice Requirements.**

The contents of any Opt-In Approval notification must comply with the requirements described in Section 8.A., above.

## **SECTION 8**

### **NOTICES REQUIRED TO OBTAIN APPROVAL TO USE CPNI (CONT'D)**

#### **D. Notice Requirements Specific to One-Time Use of CPNI.**

1. The Company may use oral notice to obtain limited, one-time use of CPNI for inbound and outbound Customer telephone contacts for the duration of the call.
2. The contents of any such notification must comply with the requirements of Section 8.A., except that the Company may omit any of the following if not relevant to the limited use for which the Carrier seeks CPNI:
  - a. The Company need not advise Customers that if they have opted-out previously, no action is needed to maintain the opt-out election.
  - b. The Company need not advise Customers that it may share CPNI with its Affiliate(s) or third parties and need not name those entities, if the limited CPNI usage will not result in use by, or disclosure to, an Affiliate or third party.
  - c. The Company need not disclose the means by which a Customer can deny or withdraw future access to CPNI, so long as the Company explains to Customers that the scope of the approval the Company seeks is limited to one-time use.
  - d. The Company may omit disclosure of the precise steps a Customer must take in order to grant or deny access to CPNI, as long as the Company clearly communicates that the Customer can deny access to his CPNI for the call.



## **SECTION 9**

### **DISCLOSURE OF CPNI WITH JOINT VENTURE PARTNERS OR INDEPENDENT CONTRACTORS**

The Company must obtain opt-in consent from a Customer before disclosing the Customer's CPNI to a joint venture partners or independent contractors for the purposes of marketing Communications-Related Services to that Customer. Obtaining approval using the Opt-Out Method is not permissible.

## **SECTION 10**

### **COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS**

#### **A. Management Safeguards.**

1. Training of Company personnel will include review of this Manual by all new employees and all existing employees who have not previously done so.
2. The Company will provide additional training on an as-needed basis.
3. Company personnel will make no decisions regarding CPNI without first consulting the individual(s) listed in Section 2 of this Manual.
4. In deciding whether the contemplated use of the CPNI is proper, the individual(s) listed in Section 2 will consult this Manual, applicable FCC regulations, and, if necessary, legal counsel.
5. The person(s) listed in Section 2 will personally oversee the use of approval methods and notice requirements for compliance with all legal requirements.
6. The person(s) listed in Section 2 will also ensure that the Company complies with the opt-in requirements before sharing CPNI with any joint venture partners or independent contractors.
7. Any improper use of CPNI will result in appropriate disciplinary action in accordance with established Company disciplinary policies. Any improper use shall be treated as a serious offense, and may result in suspension or termination of employment in appropriate cases. Any Company personnel making improper use of CPNI will undergo additional training to ensure future compliance.

## SECTION 10

### COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)

#### A. Management Safeguards (Cont'd).

8. FCC Notification of Opt-Out Failure. The Company will provide written notice within five business days to the FCC of any instance where the opt-out mechanisms do not work properly, to such a degree that consumers' inability to opt-out is more than an anomaly.
  - a. The notice will be in the form of a letter, and will include the Company's name, a description of the opt-out mechanism(s) used, the problem(s) experienced, the remedy proposed and when it will be/was implemented, whether the relevant state commission(s) has been notified and whether it has taken any action, a copy of the notice provided to Customers, and contact information.
  - b. The Company must submit the notice even if the Company offers other methods by which consumers may opt-out.

## SECTION 10

### COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)

#### A. Management Safeguards (Cont'd).

9. Annual Filing of Certificate of Compliance. On an annual basis, a corporate officer of the Company will sign and file with the Federal Communications Commission (FCC) a Compliance Certificate (Appendix 1) stating his or her personal knowledge that the Company has established operating procedures that are adequate to ensure compliance with the FCC's CPNI rules. A statement will accompany the Certificate explaining how the Company's operating procedures ensure that it is or is not in compliance with the FCC's CPNI rules, as well as an explanation of any actions taken against data brokers and a summary of all Customer complaints received in the past year concerning the unauthorized release of CPNI. Additionally, the Company must report on any information it has with respect to the processes pretexters are using to attempt to access CPNI, and what steps it is taking to protect CPNI. This annual filing will be made with the FCC's Enforcement Bureau on or before March 1 in EB Docket No. 06-36, for data pertaining to the previous calendar year.
  - a. The "actions against data brokers" discussed above refers to proceedings instituted or petitions filed by the Company at either at a state or federal commission, or the court system.
  - b. The "summary of all Customer complaints received" refers to number of Customer complaints the Company has received related to unauthorized access to CPNI, or unauthorized disclosure of CPNI, broken down by category of complaint, e.g., instances of improper access by employees, instances of improper disclosure to individuals not authorized to receive the information, or instances of improper access to online information by individuals not authorized to view the information.
10. The Company will review these procedures on a continuing basis to ensure compliance with all FCC regulations, and will revise these procedures as needed to reflect any subsequent revisions to the applicable rules and regulations addressing CPNI.

## **SECTION 10**

### **COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)**

#### **B. Recordkeeping.**

1. The Company will maintain records of its own sales and marketing campaigns that use CPNI in files clearly identified as such. These records include a description of each campaign, the specific CPNI that was used in the campaign, and the products and services that were offered as a part of the campaign. The Company will maintain these records in its offices for a minimum of one year.
2. The Company will maintain records of its Affiliates' sales and marketing campaigns that use CPNI in files clearly identified as such. These records will include a description of each campaign, the specific CPNI that was used in the campaign, and the products and services that were offered as a part of the campaign. The Company will maintain these records in its offices for a minimum of one year.
3. The Company will maintain records of all instances where it discloses or provides CPNI to third parties, or where third parties are allowed access to CPNI, in files clearly identified as such. These records will include a description of each campaign, the specific CPNI that was used in the campaign, and the products and services that were offered as a part of the campaign. The Company maintains these records in its offices for a minimum of one year.
4. The Company's policy is to maintain records of Customer approval for use of CPNI, as well as notices required by the FCC's regulations, for a minimum of one year. The Company maintains records of Customer approval and disapproval for use of CPNI in a readily-available location that is consulted on an as-needed basis.
5. The Company will maintain separate files in which it will retain any court orders respecting CPNI.

## SECTION 10

### COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)

#### C. Authentication and Procedural Safeguards.

1. The Company must take reasonable measures to discover and protect against attempts to gain unauthorized access to CPNI.
2. The Company must properly authenticate a Customer using a method appropriate for the information sought prior to disclosing CPNI based on Customer-initiated telephone contact, online account access, or an in-store visit.
  - a. Telephone Access to CPNI containing Call Detail Information (CDI).  
The Company will only disclose Call Detail Information over the telephone, based on Customer-initiated telephone contact, if the Customer first provides the Carrier with a password, as described in Section 10.C.3., that is not prompted by the Carrier asking for Readily Available Biographical Information, or Account Information. If the Customer does not provide a password, or does not wish to create a password, the Company may only disclose Call Detail Information by sending it to the Customer's Address of Record, by calling the Customer at the Telephone Number of Record (rather than using Caller ID), or by providing it in person upon presentation of a Valid Photo ID matching the Customer's Account Information.
    - If the Customer is able to provide Call Detail Information to the Company during a Customer-initiated call without the Company's assistance, then the Telecommunications Carrier is permitted to discuss the Call Detail Information, provided by the Customer (but not other Call Detail Information).
    - If a Customer requests non-Call Detail Information CPNI, the Company need not first obtain a password from the Customer, but must nevertheless authenticate the Customer.
    - The Company need not require Customer to setup a password, but must provide the Customer the option to do so.

## SECTION 10

### COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)

C. Authentication and Procedural Safeguards (Cont'd).

- b. Online Access to CPNI. The Company must authenticate a Customer without the use of Readily Available Biographical Information, or Account Information, prior to allowing the Customer online access to CPNI related to a Telecommunications Service account. Once authenticated, the Customer may only obtain online access to CPNI related to a Telecommunications Service account through a password, as described in Section 10.C.3., that is not prompted by the Company asking for Readily Available Biographical Information, or Account Information.
  - The Company may choose to block access to a Customer's account after repeated unsuccessful attempts to log into that account.
- c. In-Office Access to CPNI. The Company may disclose CPNI (including Call Detail Information) to a Customer who, in the Company's office, first presents a Valid Photo ID matching the Customer's Account Information.

## SECTION 10

### COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)

#### C. Authentication and Procedural Safeguards (Cont'd).

3. Establishment of a Password. In order to provide a Customer CPNI containing Call Detail Information, the Company must authenticate the Customer without the use of Readily Available Biographical Information, or Account Information. The Company may establish passwords, among other methods:
  - a. At the time of service initiation;
  - b. Using a Personal Identification Number (PIN). The Company may supply the Customer with a randomly-generated PIN, not based on Readily Available Biographical Information, or Account Information, which the Customer would then provide to the Carrier prior to establishing a password. The Company may supply the PIN to the Customer by a Company-originated voicemail or text message to the Telephone Number of Record, or by sending it to an Address of Record so as to reasonably ensure that it is delivered to the intended party.
  - c. The Company is not required to create new passwords for customers who already have a password, even if the password uses Readily Available Biographical Information. However, the Company must not prompt the Customer for Readily Available Biographical Information, and any back-up authentication method cannot use Readily Available Biographical Information.
4. Establishment of Back-up Authentication Methods. The Company may create a back-up Customer authentication method in the event of a lost or forgotten password. The back-up Customer authentication method may not prompt the Customer for Readily Available Biographical Information, or Account Information. The shared secret is the preferred method for establishing backup authentication.
5. Reauthentication. If a Customer cannot provide the correct password or the correct response for the back-up Customer authentication method, the Customer must establish a new password.



## SECTION 10

### COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)

6. Notification of Account Changes. The Company must notify a Customer immediately whenever an authentication password, Customer response to a back-up means of authentication for lost or forgotten passwords, online account, or Address of Record is created or changed.
  - a. This notification is not required when the Customer initiates service, including the selection of a password at service initiation.
  - b. This notification may be through a Company-originated voicemail or text message to the Telephone Number of Record (not caller ID), or by mail to the Address of Record, and must not reveal the changed information or be sent to the new Account Information.
  - c. A change of address should be mailed to the former address, rather than the new address.
7. Business Customer Exemption. The Company may bind itself contractually to authentication regimes other than those described in this Manual for services they provide to business Customers that have both a dedicated account representative and a contract that specifically addresses the Company's protection of CPNI.

## SECTION 10

### COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)

D. Notification of Customer Proprietary Network Information Security Breaches.

1. The Company will take reasonable steps to protect CPNI databases from hackers and other unauthorized attempts by third parties to access CPNI.
2. The Company must notify law enforcement of a Breach of its Customers' CPNI. A Breach occurs when a person, without authorization or exceeding authorization, has intentionally gained access to, used, or disclosed CPNI.
3. The Company shall not notify its Customers or disclose the Breach publicly, whether voluntarily or under state or local law or these rules, until it has completed the process of notifying law enforcement. As soon as practicable, and in no event later than seven (7) business days, after reasonable determination of the Breach, the Company shall electronically notify the United States Secret Service (USSS) and the Federal Bureau of Investigation (FBI) through a central reporting facility. The Commission will maintain a link to the reporting facility at <http://www.fcc.gov/eb/cpni>. The Company will indicate its desire to notify its Customer or class of Customers immediately concurrent with its notice to the USSS and FBI.
  - a. Notwithstanding any state law to the contrary, the Company shall not notify Customers or disclose the Breach to the public until 7 full business days have passed after notification to the USSS and the FBI except as provided in the following Paragraphs b. and c.
  - b. If the Company believes that there is an extraordinarily urgent need to notify any class of affected Customers sooner than otherwise allowed under Paragraph a. immediately above, in order to avoid immediate and irreparable harm, it shall so indicate in its notification and may proceed to immediately notify its affected Customers only after consultation with the relevant investigating agency. The Company shall cooperate with the relevant investigating agency's request to minimize any adverse effects of such Customer notification.

## SECTION 10

### COMPANY SAFEGUARDS AND RECORDKEEPING REQUIREMENTS (CONT'D)

- D. Notification of Customer Proprietary Network Information Security Breaches (Cont'd).
- c. If the relevant investigating agency determines that public disclosure or notice to Customers would impede or compromise an ongoing or potential criminal investigation or national security, such agency may direct the Company not to so disclose or notify for an initial period of up to 30 days. Such period may be extended by the agency as reasonably necessary in the judgment of the agency. If such direction is given, the agency shall notify the Company when it appears that public disclosure or notice to affected Customers will no longer impede or compromise a criminal investigation or national security. The agency will provide in writing its initial direction to the Company, any subsequent extension, and any notification that notice will no longer impede or compromise a criminal investigation or national security and such writings shall be contemporaneously logged on the same reporting facility that contains records of notifications filed by Carriers.
4. After the Company has completed the process of notifying law enforcement as described in Paragraphs 3.a – 3.c. above, it shall notify Customers of the Breach.
5. Recordkeeping. The Company must maintain a record, electronically or in some other manner, of any Breaches discovered, notifications made to the USSS and the FBI pursuant to the above paragraphs, and notifications made to Customers. The record must include, if available, dates of discovery and notification, a detailed description of the CPNI that was the subject of the Breach, and the circumstances of the Breach. The Company must retain the record for a minimum of 2 years.

# **APPENDIX 1**

## **ANNUAL CERTIFICATE OF COMPLIANCE WITH CPNI RULES**

**Including—**

**FILING INSTRUCTIONS AND  
ACCOMPANYING COVER LETTER TO THE FCC**

### **Filing Instructions**

Attached is a model Certificate of Compliance with the FCC's CPNI rules. It contains blanks for the insertion of Company-specific information. **The certificate must be signed by an officer (i.e., the President, V.P., Secretary) of the Company. Electronic copies of the Certificate and cover letter may be obtained from the Telecommunications Association of Michigan.**

The FCC's revised CPNI rules state that a carrier must file a "compliance certificate" each year that addresses compliance with the FCC's CPNI regulations, along with:

- A "statement accompanying the certificate" to explain how its operating procedures ensure compliance with the FCC's CPNI regulations;
- An explanation of any actions taken against data brokers; and
- A summary of all Customer complaints received in the past year concerning the unauthorized release of CPNI.

The attached Certificate of Compliance addresses these subjects in a single document. Also attached is a sample cover letter to accompany the filing.

**This Certificate of Compliance must be filed on or by March 1 each year relating to the prior calendar year.**

**Simply filing the certificate is not enough.** Your Company must make sure that it actually engages in the practices discussed in the Certificate before signing and filing it.

Below are the procedures for filing. **Electronic filing is recommended unless the Certificate contains confidential information on the Company's method of combating pretexting (See Paragraph 16 of the Certificate; consultation with legal counsel is advisable).** Mailed filings are not deemed to be filed until actually received from the FCC (47 CFR 1.7). Thus, paper filings should be mailed several days before they are due.

### **ELECTRONIC PAPERLESS FILING:**

The easiest way to file is electronically through the FCC's Electronic Comment Filing System (ECFS): <http://www.fcc.gov/cgb/ecfs/>. Put both the cover letter and Certificate in a single PDF. Click on "Submit a Filing" on the right side of the screen. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the proceeding number which is 06-36. Under "Document Type," select "Statement."

**Additional electronic copies must go to:** Byron McCoy, Telecommunications Consumers Division, Enforcement Bureau, Federal Communications Commission, [byron.mccoy@fcc.gov](mailto:byron.mccoy@fcc.gov); and Best Copy and Printing, Inc. (BCPI), [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com).

**PAPER FILING:**

Companies that choose to file by paper must file an original and four copies of each filing. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Marlene H. Dortch, Office of the Secretary, Federal Communications Commission, 445 12th Street, SW, Washington, DC 20554.

Companies can also send their filings using commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail), by sending them to 9300 East Hampton Drive, Capitol Heights, MD 20743.

Additional paper copies must go to: Byron McCoy, Telecommunications Consumers Division, Enforcement Bureau, Federal Communications Commission, Room 4-A234, 445 12th Street, S.W., Washington, D.C. 20554, or by email to [byron.mccoy@fcc.gov](mailto:byron.mccoy@fcc.gov); and Best Copy and Printing, Inc. (BCPI), Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, (202) 488-5300, or via e-mail to [fcc@bcpiwcb.com](mailto:fcc@bcpiwcb.com).

**[Company Letterhead]**

**EB Docket No. 06-36**

February 4, 2011

Marlene H. Dortch, Secretary  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street S.W., Suite TW-A325  
Washington, D.C. 20554

**RE: Form 499 Filer ID #802095**

Dear Secretary Dortch,

In accordance with 47 CFR 64.2009(e), please find attached the Company's Annual Compliance Certificate for the previous calendar year, 2010. The Compliance Certificate includes the Company's:

- Statement explaining how its operating procedures ensure compliance with 47 CFR, Part 64, Subpart U;
- An explanation of any actions taken against data brokers; and
- A summary of all customer complaints received in the past year concerning the unauthorized release of customer proprietary network information (CPNI).

If you have any questions regarding this filing, please direct them to the undersigned.

Sincerely,

---

Todd Roesler  
Chief Executive Officer  
Ace Telephone Association

Enclosure

cc: Byron McCoy, Telecommunications Consumers Division, FCC Enforcement Bureau, [byron.mccoy@fcc.gov](mailto:byron.mccoy@fcc.gov)

Best Copy and Printing, Inc., [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com)

# **CERTIFICATE OF COMPLIANCE WITH PROTECTION OF CUSTOMER PROPRIETARY NETWORK INFORMATION RULES**

**Including:**

**Statement Explaining How Operating Procedures Ensure Regulatory Compliance**

**Explanation of Any Actions Against Data Brokers, and**

**Summary of all Customer Complaints Received**

Todd Roesler signs this Certificate of Compliance in accordance with § 222 of the Telecommunications Act of 1996, as amended, 47 USC 222, and 47 CFR 64.2009, on behalf of Ace Telephone Association (Company), related to the previous calendar year, 2010.

This Certificate of Compliance addresses the requirement of 47 CFR 64.2009 that the Company provide:

- A "statement accompanying the certificate" to explain how its operating procedures ensure compliance with 47 CFR, Part 64, Subpart U;
- An explanation of any actions taken against data brokers; and
- A summary of all customer complaints received in the past year concerning the unauthorized release of customer proprietary network information (CPNI).

## **On Behalf Of The Company, I Certify As Follows:**

1. I am the Chief Executive Officer of the Company, and therefore an officer of the Company. My business address is 207 E Cedar Street, Houston MN 55943.

2. I have personal knowledge of the facts stated in this Certificate of Compliance. I am responsible for overseeing compliance with the Federal Communications Commission's (FCC) rules relating to CPNI.

## **Statement Explaining How Operating Procedures Ensure Regulatory Compliance**

3. I have personal knowledge that the Company has established operating procedures that are adequate to ensure compliance with the FCC's regulations governing CPNI, including those adopted on March 13, 2007 in CC Docket No. 96-115.

4. The Company ensures that it is in compliance with the FCC's CPNI regulations. The Company trains its personnel regarding when they are authorized to use CPNI, when they are not authorized to use CPNI, and how to safeguard CPNI. The Company maintains a CPNI Compliance Manual in its offices for purposes of training of new and current employees, and as a reference guide for all CPNI issues. Our CPNI Compliance Manual is updated to account for changes in law, including the FCC's most



recent changes to its regulations governing CPNI, adopted on March 13, 2007 in CC Docket No. 96-115. The CPNI Manual contains key all essential information and forms to ensure the Company's compliance with CPNI regulations.

5. The Company has established a system by which the status of a Customer's approval for use of CPNI, as defined in 47 USC 222(h)(1), can be clearly established prior to the use of CPNI. The Company relies on the involvement of its high-level management to ensure that no use of CPNI is made until a full review of applicable law has occurred.

6. Company personnel make no decisions regarding CPNI without first consulting with management.

7. The Company has an express disciplinary process in place for personnel who make unauthorized use of CPNI.

8. The Company's policy is to maintain records of its own sales and marketing campaigns that use CPNI. The Company likewise maintains records of its affiliates' sales and marketing campaigns that use CPNI. The Company also maintains records of all instances where CPNI was disclosed or provided to third parties, or where third parties were allowed access to CPNI. These records include a description of each campaign, the specific CPNI that was used in the campaign, and the products and services that were offered as a part of the campaign. The Company maintains these records in its offices for a minimum of one year.

9. In deciding whether the contemplated use of the CPNI is proper, management consults one or more of the following: the Company's own compliance manual, the applicable FCC regulations, and, if necessary, legal counsel. The Company's sales personnel must obtain supervisory approval regarding any proposed use of CPNI.

10. Further, management oversees the use of opt-in, opt-out, or any other approval requirements, or notice requirements (such as notification to the Customer of the right to restrict use of, disclosure of, and access to CPNI), contained in the FCC's regulations. Management also reviews all notices required by the FCC regulations for compliance therewith. Before soliciting for approval of the use of a Customer's CPNI, the Company will notify the Customer of his or her right to restrict use of, disclosure of, and access to, his or her CPNI.

11. The Company maintains records of Customer approval and disapproval for use of CPNI in a readily-available location that is consulted on an as-needed basis.

12. The Company complies with all FCC requirements for the safeguarding of CPNI, including use of passwords and authentication methods, and the prevention of access to CPNI (and Call Detail Information in particular) by data brokers or "pre-texters."

13. The Company, on an ongoing basis, reviews changes in law affecting CPNI, and updates and trains company personnel accordingly.

**Explanation of Actions Against Data Brokers**

14. The Company has not encountered any circumstances requiring it to take any action against a data broker during the year to which this Certificate pertains.

**Summary of all Customer Complaints Received**

15. The following is a summary of all customer complaints received during the calendar year of 2008 concerning the unauthorized release of CPNI: None.

16. The Company has no knowledge of any attempt by pre-texters to access its Customer's CPNI.

Date: \_\_\_\_\_

\_\_\_\_\_  
Todd Roesler  
Chief Executive Officer  
Ace Telephone Association

## **APPENDIX 2**

### **EMPLOYEE VERIFICATION OF CPNI MANUAL REVIEW**

## **Employee Verification**

Employee Name: \_\_\_\_\_

I have reviewed the Company's Customer Proprietary Network Information Compliance Manual and Operating Procedures and agree to comply with the procedures set forth therein.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

c:    personnel file  
      CPNI file

***Return to Human Resources Department***

## **APPENDIX 3**

### **SAMPLE OPT-OUT NOTICE**

## OPT-OUT NOTICE

### Important notice about your account

Federal law allows telephone companies and wireless telecommunications carriers to use, disclose, or permit access to your information as required by law; with your approval; or in providing the service from which your information was obtained.

#### **What is this information?**

It is information called Customer Proprietary Network Information (CPNI) and includes the phone numbers called by a consumer, the frequency, duration, and timing of such calls, and any services purchased by the consumer, such as call waiting.

#### **Who can use this information?**

Ace Communications Group and Ace Link Telecommunications, Inc. will use this information. However, we will not provide your personal information to unaffiliated third parties for the marketing of third-party products without your consent.

#### **How can Ace use this information?**

This information can be used to advise you about innovative communications services or new communications technology and products. We also provide this information to third parties in order to provide certain Ace-offered products and services, such as our long distance service through Onvoy.

#### **Will Ace protect my information?**

YES! You have the right, and we have the duty, under federal law, to protect the confidentiality of this information. Therefore, regardless of whether or not you consent to allowing us to continue providing you with marketing and educational mailings, your account information will be treated confidentially.

#### **How does Ace protect my long distance call information?**

If you or someone else calls us with questions about your call details, we will only give out the information by:

[1] calling the person back at the phone number listed on the account, or

[2] mailing the information to the billing address on file, or

[3] asking the person for the password that you had already set up for your Ace account. *(The password cannot be something familiar to others such as Social Security numbers, mother's maiden name, birth dates, etc.)*

#### **What action is necessary on my part to show consent?**

No action is necessary. If you do not contact us within 30 days and indicate that we may not use the information to continue providing you with marketing and educational mailings, we will continue to do so.

#### **What if I do not consent?**

You can contact us using the contact information below and indicate that you are withdrawing your approval of our use of your CPNI. We will not accept verbal requests; they must be written or emailed. After we receive your request, you will not receive targeted marketing information from us.

Denial of approval will not affect the provision of any services to which you subscribe. You may miss the opportunity to learn of new, innovative service proposals, new packaging that could reduce your monthly bill, or new lower rates on services such as long distance. You will still receive monthly bill inserts, quarterly newsletters, and other publications that are sent to all customers at the same time to keep you up to date on what is happening at Ace.

#### **If I consent, can I change my mind?**

YES. You can contact us at any time. Until you do so, your consent is valid.

#### **Contact information:**

Ace Communications Group.  
PO Box 360  
Houston, MN 55943  
email: [info@acegroup.cc](mailto:info@acegroup.cc)

**[Note to Company: Please consult Section 7.E. of CPNI Compliance Manual for when Opt-Out Notices are permissible.]**



## **APPENDIX 4**

### **SAMPLE FORM FOR DISCLOSURE OF CPNI TO THIRD PARTY ON CUSTOMER'S REQUEST**



**Authorization Form**



Current customer name: \_\_\_\_\_

Address: \_\_\_\_\_

City/state/zip: \_\_\_\_\_

Customer number or telephone number(s): \_\_\_\_\_

*I am the customer of Ace Communications Group or Ace Link Telecommunications, Inc. (Ace) for telecommunications services under the account identified above and request and authorize Ace to disclose to the Authorized Person(s) identified below, upon request by the Authorized Person, all details regarding my account to which I have access, and to make changes to my account.*

*I agree this authorization will remain valid until Ace receives written notice from me revoking or changing the authorization.*

Current customer signature (must be notarized): \_\_\_\_\_

Date: \_\_\_\_\_

( Add Remove) Authorized Person: \_\_\_\_\_ Contact number: \_\_\_\_\_

( Add Remove) Authorized Person: \_\_\_\_\_ Contact number: \_\_\_\_\_

( Add Remove) Authorized Person: \_\_\_\_\_ Contact number: \_\_\_\_\_

( Add Remove) Authorized Person: \_\_\_\_\_ Contact number: \_\_\_\_\_

4-digit password must be created: \_\_\_\_\_

*(Authorized Person(s) will need to know this password to access the account.)*

*To be completed by Notary Public*

Subscribed and affirmed before me in the County of \_\_\_\_\_, State of \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary's official signature

\_\_\_\_\_  
Commission expiration date



## **APPENDIX 5**

### **Log of Customer Complaints Related to CPNI**

[illegible]

## **APPENDIX 6**

### **Section 222 of the Communications Act**

*Available upon request from Administration*

## **APPENDIX 7**

### **FCC CPNI Rules**

*Available upon request from Administration*

**Red Flags Compliance Manual and  
Operating Procedures**

**For**

**Ace Telephone Association  
Ace Telephone Company of Michigan, Inc.  
Ace Link Telecommunications, Inc.  
Allendale Telephone Company  
Drenthe Telephone and Communications**

**February 4, 2011**

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## **SECTION 1**

### **DEFINITIONS**

**Account:** A continuing relationship established by a person with a Creditor (like the Company) to obtain a product or service for personal, family, household or business purposes, and includes the provision of services on a deferred payment basis.

**Annual Report:** See Section 9.

**Board of Directors:** The Company's board of directors.

**Covered Account:** An Account that the Company offers or maintains primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions. Telecommunication service accounts can be Covered Accounts. The term also includes any other Account for which there is a reasonably foreseeable risk to Customers or to the Company of Identity Theft, including financial, operational, compliance, reputation, or litigation risks (See Section 4).

**Company:** Ace Telephone Association, Ace Telephone Company of Michigan, Inc., Ace Link Telecommunications, Inc.; Allendale Telephone Company; and Drenthe Telephone and Communications.

## SECTION 1

### DEFINITIONS (CONT'D)

**Consumer Report:** A written, oral, or other communication of any information by a consumer reporting agency bearing on a consumer's identity which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the consumer's eligibility for service to be used primarily for personal, family, or household purposes, employment purposes, or any other purpose authorized under 47 USC 1681 *et seq.*

**Credit:** The right granted by a Creditor, like the Company, to defer payment of debt or to incur debts and defer its payment or to purchase property or services on a deferred payment basis.

**Creditor:** A person, like the Company, who regularly extends, renews, or continues Credit, or who regularly arranges for the extension, renewal, or continuation of Credit, or any assignee of an original Creditor who participates in the decision to extend, renew, or continue Credit. Telecommunication service providers can be Creditors.

**Customer:** A person that has a Covered Account with a Creditor or a financial institution.

**Identity Theft:** A fraud committed or attempted using the Identifying Information of another person without authority.

## SECTION 1

### DEFINITIONS (CONT'D)

**Identifying Information:** A name or number that may be used, alone or in conjunction with any other information, to identify a specific person. The following are examples of Identifying Information:

- Name, Birth Date, Social Security Number, Drivers License or Identification, Alien Registration, Passport Number, Employer or Tax Identification Number;
- Unique Biometric Data, such as a Fingerprint, Voiceprint, Retina or Iris Image, or other Physical Representation;
- Unique Electronic Identification, Address, Routing Code.

**Notice of Address Discrepancy:** A notice from a consumer reporting agency informing the Company of a substantial difference between the address that the consumer provided and the address in the agency's file for the consumer.

**Red Flag:** See Section 3.

**Readily Available Biographical Information:** Information drawn from the Customer's life history and includes such things as the Customer's social security number (or the last four digits), mother's maiden name, home address, or date of birth.

**Service Provider:** A provider of a service directly to a financial institution or Creditor.

## SECTION 2

### STATEMENT OF CORPORATE POLICY

The policy of Ace Telephone Association, Ace Telephone Company of Michigan, Inc., Ace Link Telecommunications, Inc.; Allendale Telephone Company; and Drenthe Telephone and Communications (the Company) is to comply with the letter and spirit of all laws of the United States, including those pertaining to Identity Theft contained in the Fair Credit Reporting Act, as amended, 15 USC 1681 *et seq.*, and the Federal Trade Commission's (FTC's) regulations, 16 CFR Part 681. The Company's policy is to protect against the risk of Identity Theft.

The FTC's regulations require the Company to establish a written Identity Theft Prevention Program, and to train its personnel accordingly. This Manual, in conjunction with the Company's Customer Proprietary Network Information (CPNI) Manual, constitutes the Company's written Identity Theft Prevention Program.

All personnel are required to follow the policies and procedures specified in this Manual.

- ◆ Any questions regarding compliance with applicable law and this Manual should be referred to Todd Roesler, 507-896-6292; or Heather Benson, 507-896-6276.
- ◆ The following individuals are responsible for oversight of the Company's Identity Theft Prevention Program:  
Todd Roesler, 507-896-6292  
Heather Benson, 507-896-6276
- ◆ The Company's Board of Directors Approved this Manual on April 29, 2009.

## **SECTION 3**

### **WHAT IS A RED FLAG?**

A Red Flag is a pattern, practice or specific activity that indicates the possible existence of Identity Theft.

Examples of Red Flags:

- Alerts, notifications, or warnings from consumer reporting agencies, law enforcement, Customers, or victims of Identity Theft.
- Presentation of suspicious documents or personal identification information
- Unusual use or suspicious activity related to a Covered Account.

The purpose of this Manual is to set forth the Company's policies and procedures regarding Red Flags and the prevention and mitigation of Identity Theft.

## **SECTION 4**

### **IDENTIFICATION OF COVERED ACCOUNTS**

The Red Flag rules require the Company to periodically determine whether it offers or maintains Covered Accounts.

The Company will treat all Accounts involving the provision of service on a deferred-payment basis to the public (including residential and business services), as Covered Accounts. A business customer is defined as an end-user of services which is not a governmental or public entity.

The Company will, on an ongoing basis, determine whether any Accounts that it has not previously treated as Covered Accounts, should be treated as Covered Accounts.

## **SECTION 5**

### **OVERVIEW OF IDENTITY THEFT PREVENTION PROGRAM**

The Company endeavors to detect, prevent and mitigate Identity Theft (1) in connection with the opening of a Covered Account, and (2) with respect to existing Covered Accounts.

The Company will—

1. Identify relevant Red Flags for the Covered Accounts that the Company offers or maintains (see Section 6);
2. Detect Red Flags (see Section 6);
3. Take appropriate action to prevent and mitigate any detected Red Flags (see Section 7); and
4. Periodically update this Manual to reflect changes in risks to Customers and to the safety and soundness of the Company from Identity Theft (see Section 8).



## **SECTION 6**

### **IDENTIFYING RED FLAGS**

#### **OPENING OF NEW ACCOUNTS**

The Company has determined that a reasonably foreseeable risk of Identity Theft exists when prospective Customers seek to open new Accounts. The Company will therefore use reasonable measures to identify a person or entity that seeks to open a Covered Account.

This Section 6 therefore identifies Red Flags applicable to the opening of new Covered Accounts, and establishes the Company's method of detecting such Red Flags.

The Company will not provide any service for a Covered Account until it is able to reasonably identify the prospective Customer in accordance with this Section 6. If the Company detects a Red Flag during the process of opening a Covered Account, it will place the provision of service on hold until it can satisfactorily resolve the Red Flag.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

**A. Opening of Covered Accounts for Personal, Family or Household Purposes.**

1. **Required Information:** When a prospective Customer seeks to open a Covered Account for residential service (i.e., for personal, family or household purposes), the Company will ask for the following from the prospective Customer(s) listed on the Covered Account:

- name;
- address;
- birth date;
- social security number
- an unexpired government-issued identification bearing a photograph, such as a driver's license or passport, if the Customer is at the business office to open the account.

The Company will also encourage (but not require) Customers to establish passwords as a means of protecting against potential future Identity Theft.

The Company will encourage Customers who establish passwords not to use Readily Identifiable Biographical Information.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

**A. Opening of Accounts for Personal, Family or Household Purposes (Cont'd).**

**2. Identification Confirmation.**

- a. The Company will order a Consumer Report as a tool to confirm identity and will confirm the following:**
  - the name, social security number and birth date provided by the prospective Customer match**
  - the prospective Customer is confirmed to be age 18 or older**

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

- A. Opening of Accounts for Personal, Family or Household Purposes (Cont'd).
2. Identification Confirmation (Cont'd).
- b. If the prospective Customer is in the business office, the Company will inspect the prospective Customer's identification for any signs of falsification, such as:
- misspellings
  - a photo that does not resemble the prospective Customer
  - inconsistencies in color, texture or images (such as erasures or smudges)
  - raised edges around a photograph indicating the placement of a second photograph over an original photograph
  - card wear inconsistent with date of issuance (such as an identification that appears new but bears an issuance date of many years)
- c. The Company will create a record of the means used to verify a Customer's identity. The Company will retain such record until 5 years after the Account is closed. Upon disposal, the Company will completely destroy the record.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

##### **B. Opening of Business Accounts.**

For a prospective business Customer, the Company will require documents to verify the existence of the business before providing service. Such documents may include:

- Articles of Incorporation or Articles of Limited Liability Company
- Partnership agreement

Partnerships using social security numbers and sole proprietorships may use the personal information of the sole proprietor or partners.

A business customer is defined as an end-user of services which is not a governmental or public entity.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

##### **C. Examples of Red Flags in the Opening of New Accounts.**

1. Alerts, notifications or warnings from consumer reporting agencies, law enforcement, Customers, Company employees, or victims of Identity Theft.
  - a. Company employee has personal knowledge that prospective Customer is using a false identity.
  - b. Consumer report contains a fraud or identity theft alert.
  - c. Consumer report reveals that the name, social security and birth date of prospective Customer don't match.
  - d. Consumer report reveals that the prospective Customer is not age 18 or older.
  - e. Consumer report reveals that social security number is associated with a deceased person.
  - f. The Company receives notice from a Customer, a victim of Identity Theft, law enforcement, or any other person that the Company may have opened an Account for a person engaged in Identity Theft.
2. Suspicious Documents and Personal Identifying Information.
  - a. Information on the identification is inconsistent with information provided by the person opening a new Covered Account.
  - b. The person presenting the identification doesn't look like the photo or match the physical description.
  - c. Documentation that appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

**C. Examples of Red Flags in the Opening of New Accounts (Cont'd).**

**3. Unusual Use of, or Suspicious Activity Related to, the Covered Account.**

- a. A Customer advises of unauthorized charges or transactions in connection with a Covered Account, excluding charges commonly disputed in the telecommunications industry such as long distance calls, pay-per-view and video-on-demand purchases, service call charges, and reconnect charges. These charges are typically customer-initiated from their home or relate to work the Company does on-site so there is little risk of identity theft.



## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **PROTECTION OF EXISTING ACCOUNTS**

The Company has policies and procedures in place to safeguard customer proprietary network information (CPNI). The Company will continue to utilize its CPNI policies procedures as a safeguard against unauthorized access to Customer CPNI, including pre-texting. Pre-texting is the practice of obtaining call record detail and other CPNI under false pretenses. The Company also monitors suspicious transactions, and verifies change of address requests in accordance with its CPNI Compliance Manual.

The Company updates its Manual to account for changes in law, and it contains all essential information and forms to ensure the Company's compliance with CPNI regulations.

The Company will continue to follow its CPNI Compliance Manual as a means of preventing Identity Theft. The Company will also continue to improve its Identity Theft Prevention Program based on its experience with past incidents of Identity Theft, and new methods of committing Identity Theft of which it becomes aware.

The Company treats the following as Red Flags—

- Alerts, notifications, or other warnings from consumer reporting agencies or Service Providers;
- Suspicious address changes;
- The unusual use of, or other suspicious activity related to, a covered Account; and
- Notice from Customers, victims of Identity Theft, law enforcement authorities, or other persons regarding possible Identity Theft in connection with a Covered Account.

## **SECTION 7**

### **PREVENTING AND MITIGATING IDENTITY THEFT**

The Company will respond appropriately when it detects a Red Flag. In determining how to respond, the Company will consider aggravating factors that may heighten the risk of Identity Theft.

Appropriate responses include one or more of the following depending on the circumstances:

- Monitoring a Covered Account;
- Placing the provision of service on hold until the Red Flag can satisfactorily be resolved;
- Requiring the Customer to come to the business office to present an unexpired government-issued identification bearing a photograph, such as a driver's license or passport;
- Adding a "Red Flag" warning on a Covered Account;
- Contacting the Customer;
- Reopening a Covered Account with a new account number;
- Declining to open a Covered Account for a prospective Customer;
- Closing an existing Covered Account (in accordance with state regulatory rules, if applicable);
- Not collecting on a Covered Account; or
- Notifying law enforcement (see CPNI Compliance Manual).

## **SECTION 8**

### **UPDATING THE IDENTITY THEFT PREVENTION PROGRAM**

The Company will update this Program periodically to reflect changes in risks to Customers or to the safety and soundness of the Company from Identity Theft.

In updating this Program, the Company will consider the following:

- The Company's experiences with Identity Theft.
- Changes in methods with which Identity Theft is committed.
- Changes in methods to detect, prevent, and mitigate Identity Theft.
- Changes in the types of Accounts that the Company offers or maintains.
- Changes in the Company's business arrangements, such as mergers, acquisitions, alliances, joint ventures, and Service Provider arrangements.

## **SECTION 9**

### **ANNUAL REPORT**

The Company will designate a person to be responsible for preparing an Annual Report to the Board of Directors, appropriate committee of the Board, or a designated senior-level manager.

The Annual Report will address at least the following:

- The effectiveness of the Company's policies and procedures in addressing the risk of Identity Theft in connection with the opening of Covered Accounts.
- The effectiveness of the Company's policies and procedures in addressing the risk of Identity Theft with respect to existing Covered Accounts.
- Arrangements with Service Providers.
- Significant incidents involving Identity Theft and management's response.
- Recommendations for material changes to the Company's Identity Theft Prevention Program.

The Annual Report will be in a format similar to that contained in Appendix 1.

## **SECTION 10**

### **SERVICE PROVIDERS**

To the extent that the Company engages a Service Provider to perform an activity in connection with one or more Covered Accounts, the Company will ensure that the Service Provider has its own Identity Theft Prevention Program to detect and address Red Flags.

The Company is ultimately responsible for complying with Red Flag rules even if it outsources Account-related activity to a Service Provider.

## **SECTION 11**

### **USE OF CONSUMER REPORTS**

To the extent that the Company uses Consumer Reports in the opening of a new Covered Account, it will comply with this Section 11.

The Company will do one or more of the following to determine whether it has a reasonable belief that the Consumer Report relates to the prospective Customer about whom it has requested the report:

- Compare the information in the Consumer Report with information the Company uses to verify the prospective Customer's identity as outlined in Section 6.
- Compare the information in the Consumer Report provided by the consumer reporting agency with information the Company obtains from third-party sources.
- Verify with the prospective Customer.

The Company will not consider a Notice of Address Discrepancy as a Red Flag due to the nature of the telecommunications industry where services are provided at an immovable physical location. Prospective customers opening accounts are typically moving to a new address that would not yet be on file with a Consumer Reporting agency.

## **SECTION 12**

### **DISCIPLINARY ACTION**

Any failure to follow this Manual will result in appropriate disciplinary action in accordance with established Company disciplinary policies. Such failures shall be treated as a serious offense, and may result in suspension or termination of employment in appropriate cases. The Company will also require additional training to ensure future compliance.



# **APPENDIX 1**

## **ANNUAL REPORT FORM**

**To be completed by the Board of Directors,  
appropriate committee of the Board of Directors,  
or a designated senior-level manager.**

## ANNUAL REPORT FOR \_\_\_\_\_

This Annual Report constitutes \_\_\_\_\_ Company's (Company) obligation under the Federal Trade Commission's (FTC) regulations and guidelines, 16 CFR Part 681, to produce an Annual Report to address the Company's compliance with the FTC's Red Flag regulations.

### 1. Effectiveness of Policies and Procedures

#### a. Opening of Covered Accounts

The Company provides the following report regarding the effectiveness of the Company's policies and procedures in addressing the risk of Identity Theft in connection with the opening of Covered Accounts:

#### b. Existing Covered Accounts

The Company provides the following report regarding the effectiveness of the Company's policies and procedures in addressing the risk of Identity Theft in connection with existing Covered Accounts:

### 2. Arrangements with Service Providers

The Company [does/does not] outsource some services to third party Service Providers related to Covered Accounts. [If the Company "does," list them and state:] The Company has taken the following measures to ensure that its Service Provider(s) have Identity Theft Prevention Program(s) to detect and address Red Flags:

### 3. Significant Incidents Involving Identity Theft

The Company reports the following significant incidents involving Identity Theft and management's response:

### 4. Recommendations for Material Changes to the Program

The Company should consider the following changes to its Identity Theft Prevention Program.

\_\_\_\_\_  
[Typed Name]

\_\_\_\_\_  
[Typed Title]

Dated: \_\_\_\_\_

## **APPENDIX 2**

# **EMPLOYEE VERIFICATION OF RED FLAG COMPLIANCE MANUAL REVIEW**

## Employee Verification

Employee Name: \_\_\_\_\_

I have reviewed the Company's Red Flag Compliance Manual and Operating Procedures and agree to comply with the procedures set forth therein.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

c: personnel file

**LINE 610**

**ACE TELEPHONE ASSOCIATION**

**STUDY AREA CODE**

**361346**

**Study Area Name: Ace Telephone Association**

**Study Area Code: 351346, 361346**

**Program Year: 2014**

**Contact: Cynthia Sweet, 507-896-6211, [csweet@acecomgroup.com](mailto:csweet@acecomgroup.com)**

**Certification that the carrier is able to function in emergency situations**

Ace Telephone Association (Carrier) is able to remain functional in an emergency situation through the use of back-up power to ensure functionality without an external power source. Carrier has backup battery reserve in its central office, which enables it to provide service for a minimum of 8 hours. Carrier's service is consistent with requirements and the obligations to provide service in emergency situations as set forth in § 54.202(a)(2).

Carrier's network is engineered to provide maximum capacity in order to handle excess traffic in the event of traffic spikes resulting from emergency situations. Carrier has redundancy in its network for use in re-rerouting traffic when facilities are damaged.

**LINE 3026**

**ACE TELEPHONE ASSOCIATION**

**STUDY AREA CODE**

**361346**

**PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED**

(3005a) Operating Report for Privately-Held Rate of Return Carriers  
Balance Sheet - Data Collection Form  
Page 1 of 3

FCC Form 481  
OMB Control No. 3060-0986  
July 2013

<010> Study Area Code  
<015> Study Area Name  
<020> Program Year  
<030> Contact Name - Person USAC should contact regarding this data  
<035> Contact Telephone Number - Number of person identified in data line <030>  
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>

<010> 361346  
<015> Ace Telephone Association  
<020> 2014  
<030> Cynthia Sweet  
<035> 507-896 6211  
<039> csweet@acccomgroup.com

- ☐ Files as reviewed single company  
☐ Filed as reviewed consolidated company  
☐ Filed as subsidiary of reviewed consolidated company

- ☒ Filed as audited single company  
☐ Filed as audited consolidated company  
☐ Filed as subsidiary of audited consolidated company

**CERTIFICATION**

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

Signature

Date

**PART A. BALANCE SHEET**

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstanding & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
24. TOTAL ASSETS (10+17+23)			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		



**PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED**

(3005b) Operating Report for Privately-Held Rate of Return Carriers  
Balance Sheet - Data Collection Form  
Page 2 of 3

FCC Form 481  
OMB Control No. 3060-0986  
July 2013

<010> Study Area Code  
<015> Study Area Name  
<020> Program Year  
<030> Contact Name - Person USAC should contact regarding this data  
<035> Contact Telephone Number - Number of person identified in data line <030>  
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>

<010> 361346  
<015> Ace Telephone Association  
<020> 2014  
<030> Cynthia Sweet  
<035> 507 896 6211  
<039> csweet@acecomgroup.com

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS		
ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or margins (21+27+28+29+30-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins end-of-Period ((31+33+34)-(35+36+37+38))		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments		
45. Cash Ratio ((14+20-10-11)/7)		
46. Operating Accrual Ratio ((14+20+26)/7)		
47. TIER ((31+26)/26)		
48. DSCR ((31+26+10+11)/44)		

**PUBLIC DOCUMENT – TRAD SECRET DATA HAS BEEN EXCISED**

(3005c) Operating Report for Privately-Held Rate of Return Carriers  
 Balance Sheet - Data Collection Form  
 Page 3 of 3

FCC Form 481  
 OMB Control No. 3060-0986  
 July 2013

<010> Study Area Code  
 <015> Study Area Name  
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 <039> Contact Telephone Email Address - Email Address of person identified in data line <030>

<010> 361346  
 <015> Ace Telephone Association  
 <020> 2014  
 <030> Cynthia Sweet  
 <035> 507 896 6211  
 <039> csweet@acecomgroup.com

PART C. STATEMENTS OF CASH FLOWS		
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)	
CASH FLOWS FROM OPERATING ACTIVITIES		
2.	Net Income	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
3.	Add: Depreciation	
4.	Add: Amortization	
5.	Other (Explain)	
Changes in Operating Assets and Liabilities		
6.	Decrease/(Increase) in Accounts Receivable	
7.	Decrease/(Increase) in Materials and Inventory	
8.	Decrease/(Increase) in Prepayments and Deferred Charges	
9.	Decrease/(Increase) in Other Current Assets	
10.	Increase/(Decrease) in Accounts Payable	
11.	Increase/(Decrease) in Advance Billings & Payments	
12.	Increase/(Decrease) in Other Current Liabilities	
13.	Net Cash Provided/(Used) by Operations	
CASH FLOWS FROM FINANCING ACTIVITIES		
14.	Decrease/(Increase) in Notes Receivable	
15.	Increase/(Decrease) in Notes Payable	
16.	Increase/(Decrease) in Customer Deposits	
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)	
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits	
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital	
20.	Less: Payment of Dividends	
21.	Less: Patronage Capital Credits Retired	
22.	Other (Explain)	Excise tax refund
23.	Net Cash Provided/(Used) by Financing Activities	
CASH FLOWS FROM INVESTING ACTIVITIES		
24.	Net Capital Expenditures (Property, Plant & Equipment)	
25.	Other Long-Term Investments	
26.	Other Noncurrent Assets & Jurisdictional Differences	
27.	Other (Explain)	salvage, net of cost of removal
28.	Net Cash Provided/(Used) by Investing Activities	
29.	Net Increase/(Decrease) in Cash	
30.	Ending Cash	